

JOHN A. PHILLIPS, EXECUTIVE DIRECTOR
ALEXANDER A. LACH, CHIEF ENGINEER
ROBERT T. DAILEY, COMPTROLLER
JOHN A. HILA, COUNSEL



RECEIVED
WATER RESOURCES
MENT ELEMENT

APR 12 10 11 AM '85

FREDERICK H. KURTZ, CHAIRMAN
SAMUEL CHIARAVALLI, VICE CHAIRMAN
PAUL ABDALLA
DAVID B. CRAS EL
HERBERT H. DAUGHERTY
GORDON R. FULLER
DAVID H. GUTMAN
TED LIGHT
WILLIAM MALINOWSKY
MARTIN MATUSKIEWICZ
LEO NOWICKI

MIDDLESEX COUNTY UTILITIES AUTHORITY

SAYREVILLE, NEW JERSEY 08872

201-721-3800

April 9, 1985

Old Bridge Township Sewerage Authority
PO Box 72
Laurence Harbor, NJ 08879

Attn: Mr. Edward McLane, Executive Director

Dear Mr. McLane:

The Middlesex County Utilities Authority has received OBTSa Chairman Lane's letter of March 27, 1985 to MCUA Chairman Kurtz regarding the OBTSa permitting of Madison Industries and CPS Chemical to become direct participants of the MCUA.

The OBTSa has on numerous occasions requested the MCUA to accept Madison Industries and CPS Chemical as direct participants of the MCUA.

It was our understanding that the OBTSa was again requesting such acceptance of these industries.

Your consent to permit these industries to become direct participants of the MCUA was granted only under certain conditions stipulated in your letter.

The MCUA has reviewed these conditions and find them inhibitory to the MCUA's best interests and efforts in attempting to expedite the alleviation of your existing conditions and responding to your prior requests to accept these industries as direct participants of the MCUA.

507565



MIDDLESEX COUNTY UTILITIES AUTHORITY
Sayreville, New Jersey 08872

- 2 -

Old Bridge Twsp. Sew. Authority
Attn: Mr. Edw. McLane, Exec. Dir.
April 9, 1985

We, therefore, wish to inform you that the MCUA respectfully declines the acceptance of your conditional consent. Therefore, the Old Bridge Township Sewerage Authority should continue to continue to service its customers as it sees fit.

Very truly yours,



Alexander A. Lach, P.E.
Deputy Executive Director

AAL:lm

CC: F. H. Kurtz, Chairman
J. Gaston, NJDEP
P. Harvey "✓"
W. Lane, OBTS
J. Hila, Esq.
R. McGowan, Esq.

Old Bridge Township Sewerage Authority

P. O. BOX 72, LAURENCE HARBOR, N. J.

March 27, 1985

Received
3/27/85
(Hand Delivered at
Mtg. of O.B.T.S.A.)
BRL

Frederick H. Kurtz, P.E.
Chairman
Middlesex County Utilities Authority
Chevalier Avenue
Sayreville, New Jersey 08872

Re: Proposal to permit
Madison Industries &
CPS Chemical to become
direct customers of MCUA

Dear Chairman Kurtz:

Based on recent meetings with both you and other representatives of the MCUA and with staff representatives of the Department of Environmental Protection, Division of Water Resources, it has been impressed upon the several representatives of this Authority, that it is generally preceived by the D.E.P. that the most feasible approach to having the subject industries undertake a proper clean-up plan, with respect to their industrial sites located near the well fields owned by the City of Perth Amboy, would be to have the industries become direct customers of the MCUA.

The Members of this Authority are keenly aware of the vital necessity of controlling and correcting the serious environmental problems which exist at these sites.

For the past several years, this Authority has been continuously involved in litigation with these industries for the purposes of enforcing our Rules & Regulations and our rate schedule with respect to their activities. Litigation is presently pending with regard to these matters and the difficulties which have been experienced in our efforts to bring these matters to conclusion have been a frequent source of frustration.

A solution which would protect the health and safety of the residents of Old Bridge, as well as, the residents of the neighboring communities in Middlesex County, without adversely affecting the financial operating needs of this Authority, would certainly be welcomed and endorsed by the members of this Authority.

Therefore, the Old Bridge Township Sewerage Authority hereby consents to permitting Madison Industries, Inc. and CPS Chemical Co. to become direct customers of the Middlesex County Utilities Authority, thereby removing said industrial customers as customers of the O.B.T.S.A. providing that certain essential concerns of this Authority are properly addressed.

Furthermore, the M.C.U.A. is hereby given permission by this Authority to negotiate directly with the D.E.P. and said industrial customers for the purpose of accomplishing this transfer. The concerns of this Authority which its Members believe must be properly satisfied in order for the proposed customer transfer to occur, are as follows:

A.) The integrity of this Authority's main trunk sewer line which runs past the subject industries must be assured against future connections or discharges from these industries. Several ways of accomplishing this have already been generally discussed, among which the following were included:

- 1.) Termination of this Authority's sewer line responsibilities prior to the property line of CPS Chemical Co. with construction of a new metering chamber for monitoring the Authority's flow at that point.

- 2.) Dedication of the existing line to one or both of the industries and construction of a new line to be dedicated to the Authority for use in connecting into the MCUA trunk lines.

Although these represent two of the proposals which have been briefly discussed to date, the Authority is willing to consider any proposal which properly protects its interests in this regard.

B.) A solution which would remove both of these industries as customers of this Authority within a suitable time frame in order to eliminate the need for continued monitoring and litigation expenses.

C.) In order to protect the future development concerns of Old Bridge Township, this Authority must be assured of its future right to connect into the main trunk sewer line downstream from the industries, approximately at the point where the present 24" pipe connects into the 36" pipe leading to the Ruynon Connection and metering chamber. Any such future connection would, of course, be subject to the construction of a metering chamber immediately preceding the point of such connection.

D.) In approving any final proposal, this Authority will need to consider future upstream demands and development in order to determine the adequacy of line capacities for serving the anticipated future needs of the Township with respect to those areas which would need to be serviced through this line.

E.) In agreeing to this concept, the Authority is only agreeing to release the customers, and NOT the area, to the MCUA. For as long as these customers or any successors to their respective operations continue to operate from the subject sites, these industrial sites will be permitted to be direct customers of the MCUA; however, upon commencement of a wholly different activity in replacement of all present operations, following the termination of present operations at either

Page three

respective site, then such new user of such site would again become a customer of the OBTSa, unless otherwise mutually agreed as between this Authority and the MCUA.

F.) This Authority would certainly look for the cost of all undertakings committed to by either industry to be fully bonded or otherwise fully secured upon consummation of any agreement in this regard.

This Authority will be pleased to cooperate in any effort to resolve this matter and looks forward to working with the DEP and the MCUA toward this desirable end.

Very truly yours,
OLD BRIDGE TOWNSHIP
SEWERAGE AUTHORITY



WILLIAM LANE,
Chairman

RJM/pe

cc: E. McLane, Exec. Dir.
E. Bushman, Off. Mgr.
R. McGowan, Esq.
J. Romash, P.E.
P. Harvey, D.E.P.